

IO Controls Limited

Annual Report and Unaudited Filleted Financial Statements
for the Year Ended 31 May 2023



Michael J Emery & Co Limited
CHARTERED ACCOUNTANTS

IO Controls Limited

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IO Controls Limited
Company Information

Directors	MS Eydman NR Parker Mr NV Goddard Mr DB McManus
Company secretary	MA McManus
Registered office	Birch House 10 Romar Court Bletchley Milton Keynes Buckinghamshire MK1 1RH
Accountants	Michael J.Emery & Co Chartered Accountants 22 St John Street Newport Pagnell Buckinghamshire MK16 8HJ

IO Controls Limited
(Registration number: 05117494)
Balance Sheet as at 31 May 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	<u>4</u>	164,652	174,337
Tangible assets	<u>5</u>	72,625	83,581
Other financial assets	<u>6</u>	311	311
		<u>237,588</u>	<u>258,229</u>
Current assets			
Stocks	<u>7</u>	37,000	35,000
Debtors	<u>8</u>	1,046,934	766,322
Cash at bank and in hand		<u>48,564</u>	<u>57,750</u>
		1,132,498	859,072
Creditors: Amounts falling due within one year	<u>9</u>	<u>(994,696)</u>	<u>(874,385)</u>
Net current assets/(liabilities)		<u>137,802</u>	<u>(15,313)</u>
Total assets less current liabilities		375,390	242,916
Creditors: Amounts falling due after more than one year	<u>9</u>	(176,792)	(130,261)
Provisions for liabilities		<u>(13,799)</u>	<u>(15,880)</u>
Net assets		<u>184,799</u>	<u>96,775</u>
Capital and reserves			
Called up share capital		400	400
Retained earnings		<u>184,399</u>	<u>96,375</u>
Shareholders' funds		<u>184,799</u>	<u>96,775</u>

IO Controls Limited
(Registration number: 05117494)
Balance Sheet as at 31 May 2023

For the financial year ending 31 May 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 20 September 2023 and signed on its behalf by:

.....
NR Parker
Director

.....
Mr DB McManus
Director

IO Controls Limited

Notes to the Financial Statements for the Year Ended 31 May 2023

1 General information

The company is a private company limited by share capital, incorporated in England and Wales, Registration number 05117494.

The address of its registered office is:

Birch House
10 Romar Court
Bletchley
Milton Keynes
Buckinghamshire
MK1 1RH

These financial statements were authorised for issue by the Board on 20 September 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Turnover

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

IO Controls Limited

Notes to the Financial Statements for the Year Ended 31 May 2023

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office equipment	20% reducing balance
Fixtures and fittings	20% reducing balance

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	Over 20 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

IO Controls Limited

Notes to the Financial Statements for the Year Ended 31 May 2023

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

IO Controls Limited

Notes to the Financial Statements for the Year Ended 31 May 2023

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company during the year, including directors, was 25 (2022 - 29).

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 June 2022	193,708	193,708
At 31 May 2023	193,708	193,708
Amortisation		
At 1 June 2022	19,371	19,371
Amortisation charge	9,685	9,685
At 31 May 2023	29,056	29,056
Carrying amount		
At 31 May 2023	164,652	164,652
At 31 May 2022	174,337	174,337

IO Controls Limited

Notes to the Financial Statements for the Year Ended 31 May 2023

5 Tangible assets

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 1 June 2022	109,238	109,238
Additions	6,032	6,032
At 31 May 2023	115,270	115,270
Depreciation		
At 1 June 2022	25,657	25,657
Charge for the year	16,988	16,988
At 31 May 2023	42,645	42,645
Carrying amount		
At 31 May 2023	72,625	72,625
At 31 May 2022	83,581	83,581

6 Other financial assets (current and non-current)

	Financial assets at fair value through profit and loss £	Total £
Non-current financial assets		
Cost or valuation		
At 1 June 2022	311	311
At 31 May 2023	311	311
Impairment		
Carrying amount		
At 31 May 2023	311	311

IO Controls Limited

Notes to the Financial Statements for the Year Ended 31 May 2023

7 Stocks

	2023 £	2022 £
Inventory	37,000	35,000

8 Debtors

	2023 £	2022 £
Trade debtors	645,930	492,985
Prepayments	16,060	18,864
Other debtors	146,598	126,971
Accrued income	66,336	25,000
Directors loan account	172,010	102,502
Total current trade and other debtors	1,046,934	766,322

9 Creditors

Creditors: amounts falling due within one year

	Note	2023 £	2022 £
Due within one year			
Bank loans and overdrafts	<u>10</u>	113,595	129,449
Trade creditors		281,962	264,155
Other creditors		443,577	311,997
PAYE and NIC creditor		39,275	37,484
VAT Control account		71,472	92,540
Accruals		14,988	15,050
Corporation tax control		29,827	23,710
		<u>994,696</u>	<u>874,385</u>

Due after one year

Loans and borrowings	<u>10</u>	<u>176,792</u>	<u>130,261</u>
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IO Controls Limited

Notes to the Financial Statements for the Year Ended 31 May 2023

10 Loans and borrowings

	2023 £	2022 £
Non-current loans and borrowings		
Bank borrowings	156,040	99,515
Other borrowings	20,752	30,746
	<u>176,792</u>	<u>130,261</u>

	2023 £	2022 £
Current loans and borrowings		
Bank overdrafts	<u>113,595</u>	<u>129,449</u>

11 Related party transactions

Transactions with directors

	At 1 June 2022 £	Advances to director £	Repayments by director £	At 31 May 2023 £
2023				
Mr DB McManus	48,785	82,259	(58,785)	72,259
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
NR Parker	53,717	79,750	(53,717)	79,750
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Mr NV Goddard	-	68,194	(48,194)	20,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

	At 1 June 2021 £	Advances to director £	Repayments by director £	At 31 May 2022 £
2022				
Mr DB McManus	62,376	48,785	(62,376)	48,785
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
NR Parker	49,576	53,717	(49,576)	53,717
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The overdrawn directors' loan account will be repaid within 9 months.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.